

## **LEGISLATIVE FISCAL OFFICE**Fiscal Note

**ACT 539** 

Fiscal Note On: **SB 207** SLS 10RS 23

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Bill Text Version: ENROLLED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

**Date:** August 3, 2010 10:22 AM

Author: MOUNT

Dept./Agy.: DHH

**Subject:** Fiscal Intermediary contract

Analyst: Shawn Hotstream

HEALTH SERVICES EN NO IMPACT See Note
Provides for contracts for fiscal intermediary services in processing claims of health care providers. (8/15/10)

<u>Present law</u> requires contracts for fiscal intermediary services shall be awarded through a solicitation for proposal (SFP), and justification for the contract shall be submitted to the state central purchasing agency and shall presented in a public hearing to the House and Senate committees on Health and Welfare, meeting jointly prior to the issuance of a solicitation for proposals. <u>Proposed law</u> requires that justification for the contract must be submitted <u>at least 45 days prior</u> to the issuance of a SFP, and authorizes (does not require) either health and welfare committee to convene for the purpose of conducting a public hearing. Proposed law further provides for contract renewal by requiring the following: 1) DHH conducts a public hearing, 2) DHH submits to health and welfare committees a notice of intention to exercise the option to renew the contract and a copy of any public testimony which was taken at the public hearing held by DHH, and 3) authorizes the health and welfare committees to hold a public hearing concerning the contract renewal within 30 of the receipt of DHH notice of intent.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	\$0

## **EXPENDITURE EXPLANATION**

This bill provides for changes to the solicitation for proposal process for a fiscal intermediary contract with the Department of Health and Hospitals, and the renewal of an existing fiscal intermediary contract. This measure appears to no longer require the House and Senate Health and Welfare Committees to hold a public hearing, either jointly or separately, regarding the FI contract prior to the award. DHH will be required to hold a public hearing regarding the contract, and submit to the House and Senate committees on health and welfare a copy of any public testimony taken at the public hearing held by DHH. Upon receipt of the public testimony, the House and Senate committees on Health and Welfare, meeting separately or jointly, may choose to hold an additional hearing. There is no anticipated fiscal impact related to this measure.

## **REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<b>Dual Referral Rules</b>
13.5.1 >=	\$100,000 Annual Fiscal Cost
13.5.2 >=	\$500,000 Annual Tax or Fee
	Change

<u> 10</u>	<u>use</u>			
	6.8(F)	>=	\$100,000	Annual

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

SGF Cost

H. Hordon Mark

H. Gordon Monk
Legislative Fiscal Officer